



# Labor & Economic Briefing

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Issue 20

June 7, 2005

Here is a summary of headlining accomplishments from the last month:

## Creating & Retaining Michigan Jobs

**Governor Unveils Jobs for Michigan Fund Proposal:** On May 4, Governor Granholm unveiled details of the Jobs for Michigan Fund, a \$2 billion bond proposal that will create thousands of jobs, as a key component of her comprehensive plan to restart and reshape the state's economy. Michigan's economy is changing, and is locked in fierce competition for jobs and economic growth with 49 other states and countries around the globe. To win that global competition and to ensure that Michigan remains a great place to live, work, and grow a business, Michigan must embrace this opportunity to restructure its economy.

The Jobs for Michigan Fund supports a bold plan to grow jobs and diversify the state's economy by investing in four competitive-edge technologies: life sciences, alternative energies, advanced automotive manufacturing, and homeland security and defense. These sectors represent the areas in which Michigan can be the strongest competitor.

The Governor asked the state Legislature to put a constitutional amendment before voters in November to create the Jobs for Michigan Fund. If approved, the State will use \$2 billion in bond proceeds over the next decade to create thousands of jobs for people in all walks of life. The fund will not raise taxes. It will be independently audited and will rely on experts, not government, to direct investments in the most likely areas of success.

The fund will be used to diversify and grow the state's economy by focusing the state's resources in four areas:

- Investment in diversification and business development: Accelerating the pace of commercialization and giving start-up companies a foothold in the market place.
- Talent attraction: Bringing and keeping the best research and scientific minds to work on our university campuses and to assist our start-up companies with business plans and development.
- Leveraging federal grants: Giving Michigan research institutions and technology companies the matching funds they need to bring more federal research dollars and technology innovation funds to Michigan.
- Research: Increasing the amount of research, development, and innovation taking place in our universities, companies, and nonprofit research institutions.

The State's experience with the Life Sciences Corridor and Technology Tri-Corridor initiatives are proof that investment in diversification can have a positive impact. Since 2000, those two initiatives have contributed nearly \$200 million for research and commercialization opportunities in the targeted sectors - particularly in the life sciences - making Michigan one of the fastest-growing states in the nation for new life sciences company formation.

The Jobs for Michigan Fund can ensure that the state that produces the most technologically-advanced product that most people will ever purchase - the 21st century motor vehicle - is also the state that produces clean technologies and alternative energies, such as fuel cells, to make the nation independent of foreign oil. By investing in our state's future, Michigan will stop the brain drain that occurs when young people leave the state for good-paying jobs in cities such as Chicago, New York, and Boston.

High stakes and global competition make this a time for action. Other states are already passing initiatives that use bonds to retool their economies and attract new businesses and jobs. It is time to build upon our strengths and invest in our future now by establishing the Jobs for Michigan Fund. For more information, visit <http://www.michigan.gov/gov/0,1607,7-168--117291--,00.html>.



**Governor  
Jennifer M.  
Granholm**



**Gov. Granholm, joined by Rep. Andy Meisner  
and Sen. Mark Schauer, announces the Jobs  
for Michigan Fund.**

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**Governor Praises Dept. of Defense Base Decision Netting 125 New Jobs for Michigan:** On May 13, Gov. Granholm praised U.S. Department of Defense (DOD) recommendations that will add 125 jobs overall to the state's military operations. While questioning decisions that would close the Air National Guard base at Battle Creek, and result in job losses at Selfridge in Harrison Township, the Governor said the overall assessment confirms the importance of Michigan's military installations to the future of the nation's homeland security. The Detroit Arsenal, which houses the Army's Tank-Automotive and Armaments Command (TACOM) in Warren, is one of the Army's largest weapon system and vehicle R&D organizations and will see an increase of 647 positions. In addition, the Hart-Doyle-Inouye Federal Center in Battle Creek will remain open. The Battle Creek Air National Guard station, however, is slated to lose 274 positions. The Air National Guard base at Selfridge will see an additional 84, though Army activity at Selfridge is reduced by 300 jobs. The Navy Reserve Center in Marquette is slated to close for a loss of seven jobs, and the Parisian U.S. Army Reserve Center in Lansing will close, sending 25 jobs to Battle Creek. In April 2004, Granholm created the Task Force to Protect Michigan's Military Facilities to help the state's congressional delegation and local leaders prevent the closure of Michigan military bases and protect thousands of jobs. In March, Granholm met with DOD officials at the Pentagon to make the case for Michigan's facilities and the vital role they serve in the nation's defense. Over the next four months, the independent Base Realignment and Closure (BRAC) Commission will visit the bases suggested for closure or realignment, hold public hearings, and conduct its own analysis. The commission will then vote to accept, reject, or change the recommendation of each base on the list and deliver its final report to the President by September 8. If he approves it, Congress will have 45 legislative days to reject or approve the list in its entirety. The process must be completed and voted on by Congress no later than April 15, 2006.

**Two Alternative Energy Companies to Expand in Michigan, Create 900 New Jobs and Invest Nearly \$100 Million:** Gov. Granholm announced the expansion of two alternative energy companies in southeast Michigan. Together, they are expected to create a total of 923 new jobs, including 398 high-tech jobs directly by the companies. Incentives offered by the Michigan Economic Development Corporation helped convince the companies to expand in Michigan over competing sites in other states.

- **Compact Power Inc.** plans to invest \$18.1 million to locate a new research and development center in Troy instead of expanding an existing facility in Colorado. A subsidiary of LG Chem., the largest chemical company in South Korea, Compact Power develops lithium polymer battery packs for electric, hybrid fuel cell vehicles and military and aerospace applications. The project is expected to create 298 new jobs, including 168 directly by the company. An SBT credit valued at more than \$3.8 million over the next 10 years helped convince the company to expand in Michigan. To further support the project, the city of Troy will provide \$50,000 for necessary road improvements and is willing to support NextEnergy personal property tax exemptions worth up to \$820,500.

- **United Solar Ovonic LLC**, the world leader in thin-film photovoltaics for solar energy conversion, plans to invest more than \$80.2 million to locate a new production facility in Auburn Hills. Tax credits valued at more than \$6.1 million over 20 years and a \$100,000 Economic Development Job Training Grant helped the company decide to locate the facility in Michigan over a competing site in Ohio. To further support the project, the city of Auburn Hills has proposed a tax abatement valued at \$109,100 and is willing to support Next Energy personal property tax exemptions that could be worth an estimated \$6.9 million over the next eight years. The facility is expected to create 625 new jobs, including 230 directly by the company.

**Duncan Aviation to Grow in Battle Creek, Create 726 New Jobs:** Duncan Aviation Inc. will invest \$19.5 million to expand its operations in Battle Creek instead of at the company headquarters in Lincoln, Nebraska. The project will create 726 jobs, including 380 directly by the company. Assistance offered through the Michigan Economic Development Corporation (MEDC) helped convince the company to choose Michigan. The MEDC approved a Single Business Tax credit valued at more than \$2.2 million over six years to win the project. The city of Battle Creek has proposed an additional incentive through the city's Tax Increment Finance Authority, offering to construct 142,000 square feet of aircraft ramp, additional paving and rerouting of the road to service the expansion. The value of the city's contribution is estimated at more than \$1.3 million. A University of Michigan economic analysis estimates that 346 indirect Michigan jobs will be created as a result of increased economic activity associated with the expansion, in addition to the 380 jobs created directly by the company. The project is expected to generate more than \$154 million in personal income for Michigan workers over the life of the tax credit. Duncan's expansion will be located in the Battle Creek Aviation & e-Learning Smartzone, one of eleven SmartZones in the State of Michigan. The 380 new direct jobs represent the largest job creation total for a single company within a Michigan SmartZone since the inception of the program in 2001. Established in 1956, Duncan Aviation has grown into the largest family-owned aircraft support services provider in North America. The company maintains and inspects all major aircraft brands including Cessna, Learjet, Falcon, Challenger and Gulfstream.

**Governor Announces Assistance to Support \$10 Million Lear Expansion in Mendon Creating 51 Jobs:** The state is supporting public infrastructure improvements needed for Lear Corporation to expand its operations in the village of Mendon. A Community Development Block Grant has been awarded by the Michigan Economic Development Corporation for the project, which is expected to create 51 new jobs and \$10 million in private investment. The village will use the \$510,000 grant to install a new deep well and make other water supply improvements for the expansion of Lear's Mendon facility to accommodate production of new arm rest assembly products for the automobile industry. The village will provide an additional \$70,623 for the project. The Michigan Economic Development Corporation administers the state's Community Development Block Grant funds received from the U.S. Department of Housing and Urban Development. These funds are used to provide grants and loans to eligible counties, cities, villages and townships-typically those with populations less than 50,000-for economic development, community development and housing projects. Larger communities receive block grant funds directly from the federal government. In her 2005 State of the State address, Granholm emphasized the importance of making Michigan a global economic powerhouse in the 21st century. Since January 2005 the Governor and the MEDC announced the creation or retention of more than 35,000 jobs as a result of targeted assistance provided by the MEDC.

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**Governor Kicks Off New Small Business Awards Event:** Michigan's outstanding small businesses received statewide recognition April 28, at the first-ever "Michigan Celebrates Small Business" event at the Kellogg Center in East Lansing. Governor Granholm gave the opening address. The cooperative effort was hosted by the U.S. Small Business Administration/Michigan, the Small Business Association of Michigan, the Michigan Small Business & Technology Development Center, the Edward Lowe Foundation, and the MEDC. The list of "50 Companies to Watch in Michigan" was unveiled at the event. This new awards program, sponsored by the Michigan-based Edward Lowe Foundation (<https://edwardlowe.org/Michigan50/index.peer?page=main>), recognizes the growing second-stage companies that generate the bulk of new, sustainable jobs. SBA awards and recipients:

- Small Business Person of the Year: Michael and Rachel McCormack, Chairman & President of Micro Max Inc.
- Family-Owned Business of the Year: Suk-Kyu Koh, Chrysan Industries
- Minority Small Business Champion: Enrique Carillo, VP Comerica Bank
- Women in Business Champion: Rita Ann Hendrickson VanderVen, Grand Rapids Opportunities for Women
- Small Business Journalist of the Year: Jeff & Rich Sloan, StartUp Nation
- Financial Services Champion: Ted Doan, Dow Foundation
- Small Business Counselor of the Year: Vikram Mathur, Schoolcraft College Business Development Center
- Innovation Award: Xoran Technologies. Developed upright CT scanner to market as a low-cost alternative for medical professionals
- Main Street USA Award: Quality Air of Midland Inc. Specializes in critical airflow systems and indoor air quality services
- Procurement/Government Contracting Award: Marsh Industrial Inc. Manufacturer of septic, industrial, and hazardous waste tanks, trucks and trailers, supplying the U.S. military.

**Three Company Expansions, Two Brownfield Projects Retain 4,111 Jobs:** Three business expansions and two brownfield redevelopment projects, announced on April 19 by Governor Granholm, are expected to create and retain more than 4,111 jobs and generate more than \$336 million in private investment, all as a result of assistance offered by the MEDC. The five projects are expected to create and retain 2,517 jobs directly, with an additional 1,594 indirect jobs resulting from increased economic activity associated with the company expansions and redevelopments, according to an economic analysis provided by the University of Michigan.

**Company Expansions:**

- Global communications industry leader **American Communications Network Inc. (ACN)** plans to invest approximately \$32 million to expand its headquarters operations to a new facility in Farmington Hills instead of at a competing site out-of-state. The project will create 848 new jobs, including 575 directly by the company, over the next 10 years. A Single Business Tax (SBT) credit valued at more than \$6.3 million helped convince the company to grow in Michigan. The City of Farmington Hills Economic Development Corporation approved a grant valued at more than \$16,000 to provide software training for the new employees.
- **Johnson Controls** will invest \$118 million to retool its operations in Battle Creek and Holland instead of moving production to competing locations in Ohio and Mexico. The investment will retain over 1,754 Michigan jobs, including 747 directly by the company. Tax credits valued at more than \$17.4 million helped win the project. The City of Battle Creek and Holland Township have also proposed tax abatements valued at \$5.4 million and \$4.8 million respectively.
- **X-Rite Inc.** plans to invest approximately \$44.5 million to expand in Kentwood over a competing site in another state. The project is expected to create 627 jobs, including 313 directly by the Grandville-based company. An SBT credit valued at more than \$10.6 million helped convince X-Rite, a leading manufacturer of color measuring instruments and software, to stay and grow in Michigan. The City of Kentwood has also approved a tax abatement valued at approximately \$2.3 million to support the project.

**Brownfield Redevelopments:**

- **Strathmore Development Company**, through affiliate Lower Town Development Group, LLC, will use a tax credit valued at \$4.5 million to revitalize an underutilized and environmentally contaminated 6.4-acre site in Ann Arbor's historic Lower Town. The new development, to be known as Broadway Village at Lower Town, will house a mix of commercial and residential space, including 145 apartments, medical offices, pubs, and restaurants. It will also include a hotel, athletic club, and a 640-space parking structure. Existing buildings on the property will be demolished to make way for the new development. Lower Town Development Group, LLC will invest \$92.2 million in the project, which is expected to create more than 582 new jobs.
- **Kennedy Square, LLC (also known as Redico)** will invest \$50 million in the first new high-rise, multi-tenant office building in downtown Detroit in several years. A tax credit valued at \$4 million will facilitate the construction of a new 10-story office building in Kennedy Square to replace an underutilized underground parking garage. It will provide office space to attract and retain new tenants in the city and include pedestrian-level retail and commercial space. Located near the Compuware Building, the new development is expected to create 300 new jobs, and will house a total of 1,300 workers.

**Michigan Has 22 Companies on the 2005 Fortune 500 List:** Michigan-based General Motors and Ford Motor are #3 and #4, respectively, on the annual ranking appearing in the April issue of Fortune magazine. Other Michigan companies on the list are: Dow Chemical, Delphi, Kmart Holding, Visteon, Lear, Whirlpool, Masco, TRW Automotive Holdings, Pulte Homes, United Auto Group, Kellogg, ArvinMeritor, DTE Energy, Federal-Mogul, CMS Energy, Kelly Services, Auto-Owners Insurance, Stryker, Collins & Aikman, and Borders Group. For 45 years, Fortune magazine has been ranking the largest companies in the United States. The result is their annual Fortune 500 list. The magazine lists the U.S.-based corporations with the largest revenues in the past year. Revenue is calculated using publicly available data; therefore private companies are excluded, as are U.S. subsidiaries of foreign companies. The Michigan companies on this year's list accounted for revenues of \$608.6 billion.

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**Michigan Vaults to #10 for Federal Small Business Innovation Research Funding:** Governor Jennifer Granholm announced on April 21, that Michigan now ranks 10th in the nation for federal Small Business Innovation Research (SBIR) funding, after posting a 75 percent increase between 2002 and 2003. The state's ranking is up from 16th in the nation in 2002, according to the U.S. Small Business Administration (SBA). The Governor expects further success as a result of the state's Emerging Business Fund (EBF), created last year to help Michigan companies attract SBIR awards. More than \$42 million in SBIR grants was awarded to 128 Michigan small businesses in 2003, compared to \$23.9 million for 110 companies the previous year. Only Alaska, West Virginia, and Vermont realized greater percentage increases than Michigan. The EBF is administered by the Michigan Economic Development Corporation (MEDC) and is part of Governor Granholm's Technology Tri-Corridor initiative which fosters growth in the Michigan high-tech industries through funding and resource collaboration. Targeted industries are life sciences, homeland security, and advanced automotive technology. The EBF has a total of \$1 million available for SBIR matching grants of up to \$15,000 to Michigan companies creating innovative products and services within these sectors. Since its inception in 2004, more than \$1 million in federal SBIR funding has been awarded to 11 Michigan companies, with the MEDC providing \$164,036 in matching funds.

**Michigan #2 for Competitiveness in 2004 National Ranking:** Michigan is #2, after Indiana, on Site Selection magazine's Top Ten Competitive States ranking for 2004. The annual award is a benchmark that measures state economic development agencies' competitiveness based on 10 criteria for evaluating business-expansion activity in the previous calendar year.

## Fostering Vibrant Michigan Cities and Urban Centers

**"Ideas and Dollars: How Cultural Economic Development Makes Cents for Michigan" Summer Institute Planned for June 15:** Understanding how to tap creative and cultural assets to spark economic growth and prosperity is the focus of the 18th Annual Summer Institute organized by the Michigan State University, Community and Economic Development Program's EDA University Center. Ideas and Dollars: How Cultural Economic Development Makes Cents for Michigan will be held Wednesday, June 15, 2005, from 8 a.m. to 5 p.m. at the Kellogg Center on MSU's campus. The conference will feature two keynote speakers who will discuss the role of cultural creativity as a catalyst for revitalizing state and local economies and increasing competitiveness in the global economy. From the Information Economy to the Creative Economy, the morning keynote speech, will be delivered by Dr. Shalini Venturelli, Professor of International Communication, Knowledge Development, and International Relations, at American University. Venturelli is internationally recognized for her research on the knowledge economy and for her contributions to international organizations such as the European Union, the World Bank, the United Nations, and Organization for Economic Co-operation and Development. Venturelli believes: "a culturally creative labor force sparks new ideas that stimulate economic innovation-moving local economies from a traditional product-oriented, manufacturing base to a continually evolving economy based on intellectual capital, the new "gold" standard in the global knowledge economy." Creative Community Cultural Amenities and Economic Development, the luncheon keynote speech, will be delivered by Dr. William Anderson, Director of the Michigan Department of History, Arts, and Libraries. Anderson has been involved in economic development throughout his career, as a community college president in Michigan and Illinois; president of three chambers of commerce; and, as a founding member of the Ludington Economic Development Corporation. Anderson was twice named Business Leader of the Year for his work in economic development in Michigan. Summer Institute participants will have an opportunity to attend discussions and panel presentations where industry and community leaders, economic development practitioners, and scholars will relate practical examples of how cultural economic development is taking place throughout the state. The cost of the conference (including lunch) is \$40 or \$20 for students with ID. A limited number of scholarships are available upon request prior to the registration deadline, June 6, 2005. For additional information or to request accessibility accommodations, call MSU's Community and Economic Development Program at (517) 353-9555 or visit their website at <http://www.cedp.msu.edu>.

**Governor Proposes Financial Incentives for Upgrading, Expansion of Downtowns:** The Governor has proposed an expansion of the scope of downtown development authorities to spur a rapid infusion of public and private investment in badly needed infrastructure projects. In order for communities to take advantage of her proposal, a legislative change is needed to allow for the capture of additional state property taxes. Under the Governor's plan, part of her Jobs Today initiative which was first announced in her 2005 State of the State, municipalities with a downtown development authority or tax increment finance authority will be allowed to capture property taxes from their existing downtown development areas to finance improvements in new downtown expansion zones (DEZs). Communities interested in projects such as site preparation, demolition activities, infrastructure developments, and streetscaping are encouraged to apply to the MEDC to establish a DEZ. Jobs Today is a three-year program to accelerate the pace of state and local infrastructure projects that were scheduled to begin over the next decade.

**State, Feds and Locals Pitch in to Keep Commerce Flowing on Saginaw River with \$4.4 Million Dredging Project:** More than \$1.3 million in Community Development Block Grant funding has been awarded for Saginaw County. The grant, made available through the Michigan Economic Development Corporation (MEDC), will help finance the silt relocation portion of the Saginaw River dredging project. Low water levels combined with silt accumulation threaten to severely limit the capacity of the river to accommodate commercial freighter traffic. The Saginaw River is the state's eighth largest port by cargo volume, according to the Michigan Department of Transportation. Saginaw County's Vision 2020 spearheaded this effort in making the Upper Saginaw River Dredging one of the county's top priorities. The Federal Army Corps of Engineers has committed funds to the dredging portion of the project and part of the costs of relocating silt removed from the river bed. The total federal contribution is approximately \$2.5 million. Saginaw County is expected to contribute \$333,000 in addition to \$334,000 from the Saginaw County River Alliance.



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**Community Development Grant Will Help Vermontville Downtown:** A representative of the MEDC joined local officials in Vermontville on April 23, to announce a \$925,000 Community Development Block Grant (CDBG) awarded to the Village of Vermontville. The grant, matched with \$75,000 in local funds, will be used for public improvements that include street repairs, storm sewer upgrades, new landscaping, and lights along the village gateway. The project will create additional downtown parking and alleviate flooding problems the village faces during heavy rain storms, enhancements that will make the downtown more attractive for residents, visitors, and businesses.

## Making Michigan a Leader in the Global Economy

**MEDC Helps Michigan Companies Take Advantage of Export Opportunities:** Michigan Economic Development Corporation (MEDC) President and CEO Don Jakeway unveiled the new Strategic Market Access Program (SMAP) on May 12 to help Michigan companies capitalize on their export potential and compete in the global economy. Michigan is the fourth largest exporter in the nation with \$35.6 billion in exports to 185 markets. It supplies the largest share (22.5 percent) of U.S. vehicle-related exports, accounting for more than \$14.6 billion in autos, trucks, and parts. Administered through the MEDC's International Development office, SMAP provides Michigan companies with the opportunity to introduce products with strong export potential to targeted markets in China and Mexico where the MEDC operates international trade offices. Both show high demand in the advanced automotive and life sciences industries. The program is only open to qualified companies that are export-ready and have the available resources to follow through and travel to the market. The program is already paying off for prospective Michigan exporters. In March, five companies participated in the first SMAP held in Mexico City. Each company had several meetings with key business representatives and one company established a distributor relationship to market its product in Mexico. The next SMAP is scheduled for June 11-18 and will take place in China.

**MEDC Trade Office Directors Take to the Road:** The MEDC's International Development unit launched a two-week International Directors' Michigan Road Show in May. They toured across the state to introduce export ready firms to the MEDC's overseas Trade Office Directors from China and Mexico (Yvonne Warmbier-Ramp and Manuel Otalora, respectively). The Road Show is designed to provide free consultation to companies wishing to access the China and Mexico export markets, as well as learn about the export services available to Michigan companies. Presentations and one-on-one meetings were hosted by many MEDC partners in Grand Rapids, Marquette, Saginaw, Traverse City, and Kalamazoo.

**MAHLE Technology Celebrates Farmington Hills R&D Expansion:** Governor Granholm joined officials of MAHLE Technology Inc., on May 5, to celebrate the company's technical center expansion in Farmington Hills. MAHLE's \$6.7 million investment doubles the size of its R&D center, allowing the company to further expand its extensive engine testing and measuring operations. MAHLE was founded in Germany in 1920 and is a leading international manufacturer of components for the automotive and engine industry, employing 38,000 worldwide. It is represented globally with nearly 70 locations in Europe and Asia, 11 locations, and 3,100 employees in North America. Sales in 2004 were approximately \$5 billion, positioning the company among the top global 30 Tier I suppliers. MAHLE's central research and development department is located in Stuttgart, Germany, with regional research and development centers in Sao Paulo, Brazil; Tokyo, and Farmington Hills. MAHLE was one of several companies the Governor met with during her investment mission to Germany last November. Michigan has recently seen significant investments by German automotive suppliers, including: Eberspächer, Karmann Manufacturing, ZF Lemforder, and Behr. Many of the new facilities and expansions have been won by Michigan in head-to-head competition with other states with the assistance of tax credits, job training, and other incentives offered by the MEDC.

## Promoting Michigan's Tourism & Travel Industry

**Study Shows Travel Michigan Advertising Dollars Well Spent:** Advertising in the Chicago, Cleveland and Indianapolis markets during the 2004 warm weather season delivered an elevated return on investment (ROI) according to a recent study conducted by Longwoods International, a research firm specializing in advertising research and return on investment. According to the study, nearly one million visitors, who would not have traveled to Michigan otherwise, spent \$163 million statewide as a direct result of the 2004 Travel Michigan advertising program. These additional visitors to the state assisted in funding 3,607 tourism related jobs. "This research has proven that for every advertising dollar spent in the three target markets, \$3.27 comes back to Michigan," said George Zimmermann, Senior Vice President of Travel Michigan. "The bottom line is that Michigan's ROI from tourism promotional activities is positive for the state." Travel Michigan, in conjunction with Longwoods International, recently concluded the study assessing the impact of the warm weather season advertising on the residents of three out-of-state markets: Chicago, Cleveland and Indianapolis. The focus of the study was to show the impact Travel Michigan's advertising had on the perceptions of Michigan as a travel destination, the levels of travel generated by the advertising and the economic impact of the travel. The results were announced at the Michigan Tourism Outlook and Legislative Conference in Lansing. Louise Jobba and Tom Curtis of Longwoods International were on hand to present the findings of the study. Overall the tourism industry contributes \$16 billion to Michigan's economy annually, accounting for 182,000 jobs and generating \$853 million in state tax revenues, making tourism the second largest industry in the state. For a copy of the Michigan Advertising Evaluation and ROI Study, please visit <http://travelmichigannews.org/research.htm>, the tourism industry web site for the State of Michigan. For more information on traveling in the great State of Michigan, visit the official travel web site at michigan.org, or call (888) 78-GREAT.

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## Meeting the Demand for Health Care Professionals

**Michigan's Health Care Worker Shortage Receives Help from Medicaid Funds; Fast-Track Training Part of Governor's MI Opportunity Partnership:** To help ease Michigan's shortage of nurses and other health care workers, the state departments of Labor & Economic Growth (DLEG) and Community Health (DCH) have teamed up to offer incentive funds to expand fast-track health care training. The funding initiative is part of Gov. Jennifer M. Granholm's MI Opportunity Partnership, unveiled in her State of the State message, to proactively steer unemployed workers into high-demand career fields such as health care, with the goal of matching 30,000 unemployed workers with jobs by the end of 2005. The Medicaid Disproportionate Share Hospital (DSH) funds will be made available through a local matching funds process to community colleges and public universities that expand and implement accelerated training programs in nursing and allied health. Community colleges and public universities attached to Michigan Regional Skills Alliances that have partnered with hospitals were invited to submit proposals to apply for the funds, which total \$10 million for each of two fiscal years, 2005 and 2006.

## Helping Workers with Wage Disputes

**Wage & Hour Sets First Debarment Hearing:** The Wage & Hour Division will hold its first debarment hearing in May against an employer for allegedly violating the state's Prevailing Wage law. A Warren-based floor installer purportedly failed to pay two employees the prevailing wage and has yet to provide relief to the employees. In addition, the company failed to take action on two letters from the division ordering the company to make the payments. If debarred, the company would be prevented from doing business with the state for up to eight years.

## Protecting Worker Safety

**Governor Granholm Declares June as Youth Employment Month in Michigan:** Gov. Granholm proclaimed June as Youth Employment Month to educate employers about legal and safe working environments for Michigan's working teens. This summer over 300,000 teenagers aged 16-19 are expected to seek jobs in Michigan, and many will be seeking employment for the first time. In recognition of Youth Employment Month, the DLEG Wage & Hour Division is kicking off a month-long campaign to educate employers about child labor laws. The DLEG Wage & Hour Division is working in conjunction with the U.S. Department of Labor Wage & Hour Division as part of a national campaign, visiting employers to pass out materials and discuss legal aspects of employing minors in Michigan. The educational campaign will include visits to retail and fast food establishments, where the majority of teenagers are employed, and to school districts, which are responsible for distributing work permits. According to the National Institute for Occupational Safety and Health (NIOSH), approximately 70 teens die every year in the U.S. from work-related injuries. An estimated 230,000 working teens may be injured each year. About 77,000 teens are injured severely enough to warrant a hospital emergency room visit. Minors are required to have a work permit, which can be obtained in any Michigan local school district, intermediate school district, public school academy, or non public school. If you have questions about the Youth Employment Standards Act, contact the Wage and Hour Division at (517) 322-1825 or visit <http://www.michigan.gov/wagehour> and click on Youth Employment. A Work Permit Fact Sheet is at: [http://www.michigan.gov/documents/1\\_Work\\_Permit\\_Fact\\_Sheet\\_110419\\_7.pdf](http://www.michigan.gov/documents/1_Work_Permit_Fact_Sheet_110419_7.pdf).

**Continental Aluminum Receives State Award for Outstanding Safety and Health Record:** The Continental Aluminum New Hudson plant received the Bronze Award on April 26th from the Michigan Occupational Safety and Health Administration (MIOSHA) for an outstanding safety and health record. MIOSHA Director Doug Kalinowski presented the award to Continental Aluminum President Bill Altgilbers, Safety & Quality Manager Henry Szybowicz, and the Continental Aluminum Safety Committee. Invited

guests and Continental Aluminum's day-shift employees attended the presentation. The MIOSHA Consultation Education and Training (CET) Division recognizes the safety and health achievements of Michigan employers and employees through CET Awards, which are based on excellent safety and health performance. The CET Bronze Award recognizes leadership and commitment to workplace safety and health resulting in significant improvement of their MIOSHA record. Continental Aluminum, through the strong commitment of management and employees, has concentrated its improvement efforts in behavior-based safety training and analysis; accident investigations and implemented corrective actions; ongoing safety training and monthly health and safety audits. The Continental Aluminum Safety Committee develops monthly corrective action plans and ensures they are completed. They also present safety awareness skits at monthly company-wide meetings, which all colleagues on each shift attend. Continental Aluminum operates one of the most advanced secondary aluminum smelters in the United States. The company recycles various grades of aluminum scrap into products for the automotive and steel industries. The company melts raw materials consisting of aluminum scrap from reclaimed windows, radiators, cars and machinery parts, and other metal scrap that contains aluminum.



**Continental Aluminum's New Hudson plant received MIOSHA's Bronze Award.**

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**MIOSHA Fines EaglePicher Automotive \$100,800 for Lockout Fatality at Traverse City Plant:** The Michigan Occupational Safety and Health Administration (MIOSHA) cited EaglePicher Automotive's Traverse City plant on May 12 following a fatal accident, with \$100,800 in proposed penalties for allegedly failing to protect employees from the unexpected startup of equipment. On Feb. 10, 2005, two EaglePicher employees were working on a production line with a Computer Numeric Control (CNC) module system comprised of three dial machines with three robotic arms that move in and out to assemble parts at eight stations. While servicing a dial machine, electrician Rodney Windish was fatally injured when the equipment started up. MIOSHA Part 85, Control of Hazardous Energy Sources (Lockout/Tagout), is a comprehensive standard that provides detailed procedures for employers to protect their workers from the unexpected startup of equipment and/or the release of stored or uncontrolled energy from a machine, equipment, or process. During the MIOSHA investigation, the safety officer became aware of alleged lockout violations and other safety infractions. Although the company has a written lockout program, it did not enforce its own procedures. The Traverse City EaglePicher plant has previous MIOSHA inspection history and was well aware of the requirements of the lockout/tagout standard. Their inspection history includes two recent scheduled inspections where the failure to comply with the lockout/tagout standard was cited. The citations informed the company of the need to develop and implement an energy control policy and provide employee training. Nonetheless, the MIOSHA investigation found that at the time of the accident the company had two alleged willful violations of the lockout/tagout standard: no enforcement of their lockout procedure, and inadequate training of their lockout procedure. The company also had two alleged serious violations of the standard: no annual inspection of their lockout procedure, and no retraining of employees when new machines/processes were added. As a result of the accident investigation by the MIOSHA General Industry Safety and Health Division, two Willful, two Serious, one Repeat Serious, and two Other-than-Serious violations are recommended, with a total proposed penalty of \$100,800. A willful violation is one committed with an intentional disregard of the requirements of MIOSHA regulations, or plain indifference to employee safety and health. A serious violation exists where there is a substantial probability that serious physical harm or death can result to an employee. The company was cited for one repeat serious violation for failure to guard pinch points. They were also cited for two other-than-serious violations, with no monetary penalties. An other-than-serious violation is a condition that would probably not cause death or serious physical harm but would have a direct and immediate relationship to the safety and health of employees.

**MIOSHA and the Michigan Society for Infection Control Sign Alliance to Protect Healthcare Workers:** The Michigan Occupational Safety and Health Administration (MIOSHA) and the Michigan Society for Infection Control (MSIC) signed a formal alliance on April 14th to protect the safety and health of Michigan's healthcare workers. The signing cements a 20-year relationship between the two organizations that focuses on their shared missions to protect healthcare workers against occupational exposure to infectious diseases and injuries, particularly from sharp devices needed to care for patients. With more than 400 members, the Michigan Society for Infection Control strives to actively promote public health and improve healthcare quality and safety in Michigan by developing a knowledge network, providing educational resources, and advocating science-based practices. The membership of MSIC

(<http://www.msic-online.org>) encompasses infection control professionals from all types of healthcare settings including long-term and acute-care facilities, home care services, public health, correctional facilities and product manufacturers. For more information about forming an alliance or partnership with MIOSHA, please check our website at <http://www.michigan.gov/miosha> or contact the Consultation Education and Training (CET) Division at 517.322.1809.



**MIOSHA and the Michigan Society for Infection Control signed an alliance to protect healthcare workers.**

**MIOSHA and MEDC are Jointly Sponsoring Distribution of a Free CD Safety Program to Michigan Manufacturers:** More than 30,000 manufacturers in Michigan will receive - at no charge - a unique, high-tech, CD-ROM-based interactive training program, MIOSHA Walkthrough for Manufacturers. MIOSHA, MEDC and the Lansing Area Safety Council are partnering with commercial donors and sponsors to bring the program to Michigan. Shipment is planned for late October. The interactive CD-ROM contains 21 modules of safety and health training that have been reviewed by the Michigan Occupational Safety and Health Administration (MIOSHA) for compliance with Michigan's workplace safety requirements. "Companies that have a strong safety and health management system in place to protect their workers reap significant cost savings," said DLEG Director David C. Hollister. "These interactive CD-ROMs can help employers reduce injuries and illnesses-which can then help them dramatically improve their bottom lines." "eMedia solutions" produced the CD-ROM, utilizing a team of educators, technicians, and entertainment professionals to make learning about safety and health interesting and memorable. The MIOSHA Walkthrough for Manufacturers is designed to help manufacturers reduce workplace injuries, lower training costs, improve safety systems, and prepare them for an inspection, or "walkthrough," by MIOSHA. The CD is intended to provide basic safety and health awareness training and serve as a foundation for employers to build on with their own workplace specific policies and programs. The CD contains interactive testing capabilities for either individual or group training. For more information about the project, or to sign up for the mailing of the CD-ROM, visit the eMedia website at: <http://www.oshawalkthrough.com>.



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## Providing Affordable Housing

**Gov. Granholm Proclaims June as Homeownership Month:** Gov. Granholm recognized the efforts and programs promoted by the Michigan State Housing Development Authority (MSHDA) by proclaiming June to be Michigan's Homeownership Month. MSHDA has helped to finance over \$2 billion in single-family mortgages for homebuyers to purchase over 50,000 homes since its inception in 1966. MSHDA's LINKS to Homeownership program provides exceptional homeownership opportunities for Michigan families, including down payment assistance. For those who qualify, the LINKS to Homeownership program may be accessed through agents in each Michigan county, depending on where the family lives. A list is available on the MSHDA Web site located at <http://www.michigan.gov/mshda>. In addition to LINKS to Homeownership, MSHDA's Single Family programs offer a wide range of options for low-income families, including low-interest mortgages and property improvement loans as well as Michigan Mortgage Credit Certificates.

## Protecting Michigan Consumers

**May 8-14 was Recognized as Building Safety Week:** Gov. Granholm issued a proclamation declaring May 8-14 as Building Safety Week 2005 in Michigan. This year's theme was "Making Homes, Schools and Workplaces Safer Together" and raised public awareness of building safety to promote the use, enforcement and understanding of building safety and fire prevention codes to protect lives and property. Building code regulations in Michigan ensure that homes, schools, workplaces and other buildings are as safe as possible. Codes address all aspects of construction including structural integrity, electrical, mechanical, plumbing systems, fire prevention as well as manufactured home construction. "Building and code officials are here to help the public understand building safety issues," said Henry L. Green, Director, Bureau of Construction Codes and Fire Safety (BCCFS) and Vice President of the International Code Council. "In this age of do-it-yourselfers it becomes extremely important for homeowners to work with the local building officials to make sure their residence fully complies with Michigan's construction codes." The importance of regulating and enforcing construction codes is, unfortunately, often overlooked until a catastrophic tragedy occurs. By inspecting buildings during and after construction, the code process ensures that buildings in the community are safe places to live, work, play and learn.

**Seniors Beware of Financial Exploitation OFIS, DHS, OSA Warn Older Michigan Citizens as Part of Older Americans Month:** May was designated Elder Abuse Month by Governor Jennifer Granholm. As part of this effort the Office of Financial and Insurance Services (OFIS), the Department of Human Services (DHS), and the Office of Services to the Aging (OSA) have teamed up to provide information to warn seniors of the various scams and abuses that target them. OFIS has identified financial exploitation that older consumers are most susceptible to fall prey to. They are:

- Variable annuity products sold to seniors that involve high surrender charges and no access to funds. While these may be appropriate for some, they aren't suitable for many seniors.
- The sale of duplicate Medicare Supplement insurance coverage to seniors resulting in paying twice for the same coverage.
- Fraudulent sale of discount prescription drug cards.
- High pressure insurance sales tactics in the sale of several life insurance policies, cancer policies, accidental death and dismemberment policies, and hospital indemnity policies.
- Free lunch investment seminars to entice older Americans to purchase investment or insurance products.
- Misleading mailings that purport to be government approved programs or government approved final expense/burial plans.
- Repair scams whereby seniors are targeted and convinced to use the equity in their home to take out a second mortgage to make repairs. The repair costs are inflated and repairs inadequate.
- Mortgage scams to strip vulnerable seniors, who are having financial difficulties, of the equity in their home.
- Financial professionals who recommend that seniors transfer their investments or cash out their insurance policies for Promissory Notes. These unregistered "securities" are touted with interest rates in the double-digit range.

In addition to senior-specific scams, OFIS has also warned all Michigan consumers to be on alert for the many other financial, insurance, or investment scams carried out on a daily basis, such as:

- Predatory Lenders charging inordinately high rates on lending products, especially in the mortgage industry.
- Ponzi Schemes, where scammers pay early investors with money raised from later investors. The only people who make money are the promoters who set the Ponzi in motion. When these schemes end, late investors are out of luck and defrauded out of their money.
- Unregistered investment products where con artists bypass stringent state registration requirements to pitch viatical settlements, pay telephone and ATM leasing contracts, and other investment contracts with the promise of "limited or no risk" and high returns.
- High-yield investment schemes where con artists lure investors with promises of triple-digit returns through access to "risk free guaranteed high yield instruments" or something equally deceptive.
- Internet fraud where stock promoters use online "boiler rooms," instant messaging, and fake websites to lure investors into "pump-and-dump" stock schemes.
- Affinity fraud scammers that use the trust of a persons moral and religious faith to cheat them. These con artists specifically target religious, ethnic, cultural and professional groups. Seniors need to beware of anyone attending their church or place of worship, then begins soliciting sales.

If you or someone you know come across one of these offers or has already been taken in by one of these elaborate scams, you should immediately contact OFIS at <http://www.michigan.gov/ofis> or at 1-877-999-6442.



## 2005's Top 10 Threats to Michigan Investors:

- Ponzi Schemes
- Unlicensed Individuals Selling Securities
- Unregistered Investment Products
- Promissory Notes
- Senior Investment Fraud
- High-Yield Investment Schemes
- Internet Fraud
- Affinity Fraud
- Variable Annuity Sales Practices
- Oil and Gas Scams.

**Investors: If It's Too Good To Be True, Call OFIS:** Office of Financial and Insurance Services Commissioner Linda A. Watters identified the top threats that consumers face when deciding to invest their funds. The following ranking of the top 10 threats to Michigan investors for 2005 is based on a list identified by an annual survey of members of the North American Securities Administrators Association (NASAA): **Ponzi Schemes, Unlicensed Individuals Selling Securities, Unregistered Investment Products, Promissory Notes, Senior Investment Fraud, High-Yield Investment Schemes, Internet Fraud, Affinity Fraud, Variable Annuity Sales Practices, and Oil and Gas Scams.** Three investment opportunities also were cited for "dishonorable mention": **penny stocks, private placements, and bogus investment seminars** where high pressure side tactics are used. For more information on different scams and other securities issues, the NASAA Fraud Center can be viewed at <http://www.nasaa.org>.

**Shop Around: OFIS Releases 2005 Buyers Guide to Auto Insurance:** Office of Financial and Insurance Services (OFIS) Commissioner Linda A. Watters issued the 2005 Buyers' Guide to Auto Insurance. The guide contains information and tips about purchasing auto insurance. The guide also contains the results of a survey designed to provide consumers with information about rates charged by auto insurers in various areas throughout the state. It is an important part of the overall effort of the Granholm Administration to help protect and aid consumers. "The auto buyers guide is a convenient tool for consumers to use when shopping for their best deal on auto insurance," Watters said. "Included is a list of possible discounts for consumers to ask insurance agents about, and worksheets for use when comparison shopping." OFIS constantly stresses that consumers shop around to receive the best price for auto insurance. Consumers who renew insurance, or purchase insurance for the first time, should not assume that the first quote they receive is the best price they can get. Shopping around to many different insurance companies will allow them to choose the best available premium rate. Another important resource for consumers is the interactive version of the buyers' guide, which also can be found on the OFIS website. It allows users to choose a profile that most closely fits their situation and location to get a general idea of rates for auto insurance. The user can review sample rates for a select list of companies or review rates for all auto insurance companies in Michigan. More information on automobile insurance also is available on the home page of the OFIS website by clicking on the "Don't Buy Auto Insurance Until You Read This" icon. This link will connect a user to many topic areas that pertain to purchasing auto insurance. The 2005 Buyers' Guide to Auto Insurance can be reviewed and downloaded on the Internet at <http://www.michigan.gov/ofis> under Publications / Guides / Automobile Insurance. Hard copies of the guide also are available by contacting OFIS toll free at (877) 999-6442.

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**Commissioner Watters Focuses on Needs of Physically Challenged During Money \$mart Week and Promotes Financial Literacy Month:** Financial education is tremendously important, particularly for those with little or no savings experience. To help adults outside the financial mainstream enhance their money skills and create positive relationships, the Federal Deposit Insurance Corporation (FDIC) created the training program Money \$mart. Each year, one week is designated as Money \$mart Week (April 18 - 26 this year), and financial institutions throughout Michigan sponsor financial seminars and events for consumers. Office of Financial and Insurance Services (OFIS) Commissioner Linda A. Watters participated in a Money \$mart "Train the Trainer" seminar at Financial Health Credit Union (FHCU) on April 26th.

These individuals will be ready to teach the Money \$mart curriculum to residents of their communities, specifically to residents who are challenged by some type of physical disability. Commissioner Watters presented certificates of completion to the graduates of this seminar. The training was sponsored by Financial Health Credit Union (FHCU), MSU Extension, United Cerebral Palsy Association and various disability and community organizations throughout Michigan. "Financial education fosters financial stability for individuals and for entire communities," said Watters. "The more people know about financial services, the more likely they are to increase savings, buy homes, and improve their fiscal health and well being. The Money \$mart curriculum helps individuals build financial knowledge, develop financial confidence, and use financial institution services effectively. These seminars will translate that curriculum into essential assistance for those with physical disabilities." Gov. Granholm also designated April as Financial Literacy Month. In her designation of the month, Granholm said, "Educational and financial institutions, government entities, and community-based organizations can work together to help consumers make informed choices about their finances." OFIS also provides financial education material on its web site located at <http://www.michigan.gov/ofis>, under the Consumer Services/Financial Direction link. For copies of materials provided on the OFIS web site, consumers can call OFIS toll-free at 877-999-6442. OFIS also has a Consumer Outreach Coordinator who is available for presentations to schools and other community organizations on issues pertaining to financial literacy, insurance and financial institution topics. The Consumer Outreach Coordinator can be contacted by calling toll-free 877-999-6442.



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**Fire Marshal Warns of Risks of Open Burning; Open Burning Banned in Municipalities with Populations of 7,500 or More**

**Since 1995:** The Michigan Office of the State Fire Marshal issued a warning about the potential fire hazard associated with open burning. Open burning has been prohibited since 1995 in any municipality having a population of 7,500 or more, unless specifically authorized by local ordinance. Open burning is the burning of unwanted materials such as paper, trees, brush, leaves, grass, and other debris, where smoke and other emissions are released directly into the air without passing through a chimney or stack. It is a misdemeanor to burn without a permit. Any person that violates the law and causes a forest or grass fire can be held liable for all costs and damages associated with the suppression and control of that fire. The Office of State Fire Marshal recommends using extreme safety precautions for any outdoor burning. Evening is the safest time to burn debris, after winds have died down. Keep fires small, and never leave a fire unattended, even for a moment. In fact, state law requires that a debris fire be attended at all times. Always be certain the fire is completely extinguished before leaving it. Composting yard waste and using leaves and grass clippings for mulch are alternatives to open burning of yard waste. For more information on composting, contact the local Michigan State University Extension Office. Also, consider recycling plastics, cardboard, paper and metals at the local waste/recycling center or donate reusable items to charitable organizations, families, or friends instead of burning. Information on where to obtain a burn permit, the latest fire statistics and wildfire safety can be obtained from the DNR Website at: <http://www.michigan.gov/dnr>.

**Check First! Many Home Improvement Projects Require a Building Permit:** Planning on doing some home improvement projects? Before tearing down walls or running electrical wire, check with your local or state building department to learn if your project requires a building permit. A building permit provides the legal permission to start construction of a building project in accordance with approved drawings and specifications. A building permit is usually required for: new buildings, additions (bedrooms, bathrooms, family rooms, etc.), residential work (decks, garages, fences, fireplaces, pools, water heaters, etc.), renovations (garage conversions, basement furnishings, kitchen expansions, re-roofing, etc.), electrical systems, plumbing systems, and HVAC (heating, ventilating and air-conditioning) systems. A building permit ensures that the proposed construction meets minimum safety standards and allows code officials to protect the public by reducing potential hazards of unsafe construction. Property insurers may not cover work done without permits and inspections, the value of the property could be reduced and problems may arise when the property is sold.

**MPSC Asks Michigan Legislature to Amend the Michigan Telecommunications Act to Add Voice over Internet Protocol Consumer Protection Measures:** The Michigan Public Service Commission (MPSC) issued an order asking the Michigan legislature to amend the Michigan Telecommunications Act to authorize it to address concerns raised about Voice over Internet Protocol (VOIP) service. VOIP is a developing technology that may be used to transmit voice conversations over the Internet. It is the subject of ongoing debates among state and federal regulators, legislators and the telecommunications industry. "Michigan residents using Voice over Internet Protocol deserve consumer protections," said MPSC Chairman J. Peter Lark. "Because the Michigan Telecommunications Act is silent on Voice over Internet Protocol service using the public switched telephone network, customers using this new technology do not have consumer protections that telecommunication customers have. As has already been demonstrated in Michigan and elsewhere, lack of 9-1-1 access using VOIP service is a serious concern. We are asking the Michigan legislature to amend the MTA and put safeguards in place for VOIP customers." The MPSC on March 16, 2004 started an investigation of VOIP in Michigan, asking for comments on VOIP issues in Michigan. The Commission received comments from 38 organizations and individuals. Comments included identification of known VOIP providers serving Michigan customers; the proper degree of regulation; telephone numbering resources; emergency calling; universal service fund; access charge structures; abbreviated and toll-free dialing; quality of service; and various technical issues. The MPSC order asks the Michigan legislature to authorize it to assess the effect of VOIP service over the public switched telephone network on Michigan citizens, to adopt non-intrusive registration and certification mechanisms by which customer complaints regarding voice communication services may be forwarded to the appropriate companies, and to ensure that all citizens of the state have the benefit of enhanced 9-1-1 services.

## Safeguarding Michigan's Environment

**Proposals Being Accepted for STAC Energy Grants:** State Technologies Advancement Collaborative (STAC) grant solicitation has been issued for Energy Efficiency Research, Development, Deployment, Demonstration and Rebuild America Projects in the following areas: 1) Building Technologies, 2) Industrial Technologies, 3) Transportation Technologies, 4) Distributed Energy Resources, and 5) Rebuild America. The deadline for proposals is Thursday, July 15, 2005. Approximately \$4.95 million is available. Of that amount, \$1.35 million is for Rebuild America projects. A 55% non-federal cost share is required except for Rebuild America which has a 20% non-federal cost share. In order for proposals to be considered eligible, the proposer must be either a state energy office or a state chartered institution (e.g. state university) and include a state energy office or a state chartered institution from at least one other state. Additional information is available at <http://www.stacenergy.org>.

**Governor's Executive Directive Cuts Energy Use in State-Owned Buildings:** Gov. Jennifer Granholm has signed an executive directive designed to cut energy use in all state-owned buildings 10% by the end of 2008 and grid-based energy purchases by 20% by 2015. The Governor wants energy conservation improvements in how the state heats, lights, ventilates and cools its buildings. The Dept. of Management and Budget, Dept. of Environmental Quality and the State Energy Office have already conducted 38 energy audits in state-owned facilities and found \$4 million in potential energy savings. Also under E.D. 2005-4, the state fleet will be encouraged to use bio-fuels, departments will use "green" goods and supplies and any new building for state agencies, universities, and community colleges will be LEED (Leadership in Energy and Environmental Design) certified. The Governor's executive directive also creates an annual Governor's Energy Efficiency Award program to recognize energy efficiency efforts by state agencies.

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**Fire Marshal Reminds Spring Cleaners to Properly Dispose Hazardous Material:** Not sure what to do with old paint cans, pesticides or antifreeze that you've uncovered during spring cleaning? Call your local fire department to find out how and where to properly dispose of your hazardous material. To reduce the amount of hazardous material that needs to be disposed of, share leftover paint thinner, pesticides, or paint with a neighbor or even donate to a charity or non-profit group. When disposing of the hazardous material, make sure it is in its original container, which is not leaking. It is critical that the hazardous material NEVER be thrown in the trash, poured down the kitchen sink, flushed down a toilet, or poured on the ground or in a storm drain. Some common household products that are classified as hazardous material, include lighter fluid, motor oil, hair spray, nail polish remover, antifreeze, and expired medicine. If there is any question whether the material is hazardous or not, call your local fire department to verify. The Michigan Department of Environmental Quality also has information about household hazardous waste collection at <http://www.michigan.gov/deg>. For information about the safe and proper disposal of outdated, unused or unwanted pesticides, visit the Department of Agriculture's Clean Sweep web page at: <http://www.michigan.gov/mda>.

## Promoting Energy-Efficiency

**MPSC Releases Summer Energy Appraisal:** The Michigan Public Service Commission (MPSC) released the "Michigan Energy Appraisal: Summer 2005." The appraisal, published since 1978, reviews the projected prices and availability of energy in Michigan over the summer months. Gasoline prices have reached new record levels in nominal dollars but are still less than the record inflation adjusted price of nearly \$3 per gallon paid in 1981. Supply for the summer driving season is expected to be sufficient to meet the anticipated reduced level of demand growth this summer as motorists stay closer to home. For more information on Michigan gasoline prices see: <http://www.michigan.gov/gasprices>. The increase in world crude oil production coupled with the declining demand due to lower economic growth, as a result of the drag oil prices have created on the economy, should result in crude oil and petroleum product prices trending downward over the summer. Electricity production is expected to adequately meet the typical summer peak demand which is offset by reduced industrial consumption with the expected lower manufacturing output this summer over last. The Michigan Energy Appraisal is prepared every six months. The Energy Appraisal is available on the Commission's Web site at: <http://www.dleg.state.mi.us/mpsc/reports/energy>.

**Springtime Means Building and Remodeling Season So Choose a Licensed Builder and Protect One of Your Biggest Investments:** Springtime in Michigan means the beginning of home building and remodeling so DLEG Director Hollister advises consumers to choose a licensed builder carefully in order to protect their investment. Anyone offering to do work which totals \$600 or more in labor and materials must be licensed by DLEG. A Residential Builders license allows a contractor to build a complete residential structure and do maintenance & alteration (remodeling) work on a residential structure. A Maintenance & Alteration license indicates that the holder has met requirements for trades, such as basement waterproofing, carpentry, roofing, siding, swimming pools, and tile and marble. The trades for which a maintenance & alteration contractor is qualified to practice are listed on the license issued by DLEG. "We encourage consumers to research a builder or any licensee before they make any financial investment. A little homework before a project starts may save a consumer the headaches they may find later in trying to resolve a dispute if they hire an individual or company who does not meet the homeowner's expectations," Hollister said. "A license look-up feature on the State of Michigan website makes this process easier for the consumer." The license lookup is one of the online services at [www.michigan.gov](http://www.michigan.gov) and also available directly at <http://www.dleg.state.mi.us/verify.htm>. Consumers who want personal assistance in looking up a license can call the Builders Licensing Unit at 517-241-9254. Builders and contractors are required to display their license in the place of business and all contractors and their salespersons must carry a pocket card, which consumers should ask to see. Most importantly, consumers must always get agreements in writing and make sure to keep a copy for the record.

## Assisting Employers & Workers

**DLEG Announces Grants to Help Unemployed Workers Find Jobs:** DLEG has awarded a Federal Workforce Investment Act Dislocated Worker Program grant totaling \$160,000. The grant has been awarded to the Macomb-St. Clair Workforce Development Board, Incorporated which serves Macomb and St. Clair counties. The funds will be used to provide a comprehensive timely array of re-employment services tailored to workers' individual needs. Included will be long-term job preparation for displaced workers who have been laid off, or who have received notice of layoff and are unlikely to return to their previous industry or occupation. "The federal grant will help laid-off workers get back into the workforce," said Governor Jennifer Granholm. "When workers are re-employed, it benefits the individual workers, their families and our Michigan economy." The federal Workforce Investment Act, administered through DLEG, makes the grant funds available.



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**UI Refers Possible Workers' Comp Violators to WCA:** The Workers Compensation Agency (WCA) and the Unemployment Insurance Agency (UIA) have developed a successful working partnership to target employers likely to have no workers' compensation coverage. As part of their visits to employers to perform UI tax audits, UIA field auditors now check the WCA system to see if the employer has workers' compensation coverage. If not, they ask the employer for proof of coverage. Under state law, most employers are required to have workers' compensation coverage. The auditor then refers the employer's name and any provided information to WCA for a follow-up investigation. Since late October, UIA field auditors have referred the names of 191 employers to the Workers' Compensation Agency. Of these, WCA found that 80 employers did not have workers' comp coverage, and of these, 57 are under investigation for possible further action for non-compliance with state law.

**Michigan Opportunity Partnership is "Qualified Training," Participants Can Draw UI:** Workers who enter training programs through the Michigan Opportunity Partnership may continue to qualify for unemployment benefits. MI Opportunity is considered a qualified training program under the state's unemployment insurance law. The Unemployment Insurance Agency has made it easier for those in training by merging MI Opportunity with other qualified training programs, which allows a waiver of the "seeking work" and "available for work" requirements as well as waiving the good cause for refusing suitable work. MI Opportunity Partnership is a major initiative of the governor and DLEG to overhaul the state's employment training programs and help unemployed workers to prepare for and move into fields with the greatest needs for employees, such as health care.

**UI Committee Opposes USDOL's New Re-Employment Standards for UI:** The National Unemployment Insurance (UI) Committee has come out against a U.S. Department of Labor (USDOL) proposal to add a standard for the re-employment of claimants to the UI performance measures. The committee strongly felt that employment assistance was a function of the employment service, a separately funded federal program, and not the UI program.

**Glaser Named Acting Chair of WC Appellate Commission; Reamon Off to Paducah:** Martha M. Glaser will fill in as the acting chair of the Workers' Compensation Appellate Commission until a new chair is named. Former chair William G. Reamon, Jr. has left the Commission to become an administrative law judge with the Social Security Administration. He will be stationed in Paducah, KY, where he will hear claims for Social Security disability, supplemental security income and Medicare. Reamon's departure leaves two vacancies on the commission. Richard Leslie recently left the WCAC to become a commissioner with the Michigan Supreme Court.



Martha M. Glaser

**Proposals Made to Strengthen UI Program's Financial Integrity:** USDOL has proposed several amendments to federal law that would strengthen the integrity of the nation's unemployment insurance system. Some of the proposals may even be enacted this year. The proposals would: (1) allow five percent of recovered UI overpayments to be used for benefit payment control activities; (2) allow private collection agencies to retain up to 25 percent of recovered overpayments; (3) impose a minimum fine of at least 15 percent on the overpayment to those who commit UI fraud; (4) require states to charge employers for improperly paid UI benefits resulting from late or incomplete employer responses to information requests from UI agencies; and (5) allow delinquent UI overpayments to be collected from federal tax refunds.

**DLEG Accepting Applications for Workers' Compensation Appellate Commission Through June 10:** The DLEG Qualifications Advisory Committee is seeking qualified applicants for the Workers' Compensation Appellate Commission. Applications from those wishing to apply must be received by June 10, 2005. The applicants will be considered for the two positions on the Workers' Compensation Appellate Commission, which will be up for reappointment in October. An applicant must be a member in good standing of the State Bar of Michigan and have five years of experience as an attorney in the field of workers' compensation or pass a written examination. An exam will be given on June 20, 2005 in Lansing, Michigan. Applicants who have already successfully passed the Board of Magistrates exam do not need to take this exam. Applications from those wishing to apply must be received by June 10, 2005. Application forms are at <http://www.michigan.gov/wca> or by calling (517) 322-1106. The mailing address is: Qualifications Advisory Committee (Attn: Sue Bickel), DLEG Workers' Compensation Agency, P.O. Box 30016, Lansing, MI 48909

**Rapid Response Section Assists Employers and Displaced Workers:** The Rapid Response Section responded to 33 notices of planned plant closures or mass layoffs. Contact was made with employers and union representatives in response to receipt of a WARN notice, letter, phone call, newspaper article, or other means of notification. A brief overview of available dislocated worker services was given, and depending on the number of jobs impacted, a formal on-site Rapid Response meeting was scheduled or arrangements were made for the local Michigan Works! Agency to meet with the affected.

- Conducted 13 Rapid Response meetings with employers (and union representatives, where employees were represented by a collective bargaining agreement)
- Responded to 89 phone calls, 23 e-mails and two faxes from individuals, company/union representatives, and service providers who requested information or clarification of issues related to the WARN Act and dislocated worker services.
- Participated in five Joint Adjustment Committee (JAC) meetings. JACs are established to provide a proactive, participatory response to large plant closings or mass layoffs.
- Participated in two worker orientation meetings and one community service information meeting for workers impacted by a facility closure or mass layoff. These meetings provide information on unemployment insurance and dislocated worker services.



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## Assisting Michiganians with Disabilities

**Assisting Michiganians with Disabilities:** Michigan Rehabilitation Services (MRS) assisted 826 Michiganians with disabilities into jobs during April. MRS also provided disability-related services to 201 Michigan employers the same month.

## Developing a 21st Century Workforce

**Granholt Administration Awards \$1.2 Million to Fuel Entrepreneurship Education:** Gov. Jennifer M. Granholt announced grants to develop entrepreneurship education programs in high schools and community colleges. Granholt's proposed new Merit Scholarship would fund two years of study beyond high school and would apply to postsecondary entrepreneurship associate degree programs. Giving our student's entrepreneurial skills is critical for developing a competitive 21st century workforce and a diversified economy," Granholt said. "Michigan was built on big ideas from innovators and entrepreneurs who created the world's most productive companies. We will re-ignite that spark in young minds by teaching entrepreneurship courses in high schools, community colleges and universities." The state of Michigan is providing 14 entrepreneurship curriculum development grants totaling \$1,076,444 to 16 Tech Prep Consortia, including a partnership among the three regions covering the Upper Peninsula. Partners include school districts, community colleges, businesses and community organizations. The grants will be used to develop and implement entrepreneurship academic programs in high schools and will culminate in certificate and degree programs at community colleges and four-year institutions. A total of 142 articulated entrepreneurship programs will be created. The entrepreneurship education initiative totals \$1.2 million and is funded by the Carl D. Perkins Vocational and Technical Education Act of 1998, and a federal Workforce Investment Act (WIA) Incentive Award. In addition to the curriculum development grants, funds will also be used to establish a state clearinghouse for entrepreneurship education. Postsecondary entrepreneurship training programs also extend to adults who are looking for the tools they need to start and grow their own businesses. "The self-employment rate is on the rise," said Granholt. "We must support those who have been thinking for many years about starting their own businesses and who are now determined to do it." Technical assistance is provided by DLEG's Bureau of Career Education Programs, which is charged with improving the state's infrastructure for entrepreneurship advocacy and support. List of grant recipients are at: [http://www.michigan.gov/documents/Entrepreneurship\\_Curriculum\\_Grants\\_121609\\_7.pdf](http://www.michigan.gov/documents/Entrepreneurship_Curriculum_Grants_121609_7.pdf).

**Training Grant Secures High-Tech Jobs at Cobasys in Orion:** A \$60,000 Economic Development Job Training (EDJT) grant will boost the skills of 200 workers at Cobasys in Orion. The grant, provided by the MEDC and announced by Governor Granholt on May 4, will help 140 current and 60 new employees receive state-of-the-art manufacturing and professional skills training. Oakland Community College will be the grant administrator, with Cobasys providing a minimum 25 percent funding match. Cobasys develops and manufactures advanced nickel metal hydride battery solutions for the transportation and stationary power industries, including electric/hybrid-electric vehicles, heavy-duty vehicles, telecommunications, uninterrupted power supply, and distributed generation applications. Cobasys is a joint venture between ChevronTexaco Technology Ventures, an operating unit of ChevronTexaco, and Energy Conversion Devices Inc.

**State Assistance to Help Upgrade Employee Skills at INCAT in Novi:** A \$150,000 Economic Development Job Training (EDJT) grant will boost the skills of 400 workers at INCAT in Novi, Governor Jennifer Granholt announced on April 25. The grant, provided by the Michigan Economic Development Corporation (MEDC), will help 100 current and 300 new workers receive specialized training in information technology, process improvement, technical process, and applied academics. INCAT has chosen Henry Ford Community College to provide the training. Under the requirements of the program, the company will provide a minimum 25 percent funding match. Headquartered in London, England, and Novi, INCAT provides consulting, design, engineering, IT, helpdesk, and education services to hundreds of enterprises throughout North America, Europe, and the Pacific Rim. The company works with several industries including aerospace, automotive, industrial/consumer goods, health care, and tooling/automation. In 2004, INCAT was recognized by the Michigan Business & Professional Association as one of "Metropolitan Detroit's 101 Best and Brightest Companies to Work For."

**2005 Breaking Traditions Awards Recognize Students in Nontraditional Career Paths:** DLEG's Office of Career and Technical Preparation honored 29 students at the fourth annual "Breaking Traditions" Awards presentation on May 17 in The Forum at the Michigan Library and Historical Center in Lansing. Students who represented diverse career paths, were recognized for their achievements in pursuing career or technical education programs or postsecondary occupational programs that are non-traditional for their gender. More than 200 family members, teachers, administrators and friends came from across the state to attend the largest Breaking Traditions event ever.



**Breaking Traditions recognizes students pursuing careers that are non-traditional for their gender.**

**MCTI Grounds Maintenance Students Gain Training Experience at Mackinac:** The Michigan Career and Technical Institute's (MCTI) Grounds Maintenance & Landscaping pro-gram collaborated with Mackinac State Historical Parks (MSHP) this spring to provide students with a unique training experience. Ten students and two staff traveled from the Plainwell-area campus 300 miles north. The group, led by Grounds Maintenance & Landscaping Department Head/Instructor Bob Vaccaro and Leisure Services Counselor Bob Mitchell, transported equipment and provisions on April 24 for a week-long skills training session to assist state park personnel. Half the group, under the direction of Bob Vaccaro, stayed in Mackinaw City and assisted Site Manager Mike Sutton and his crew with grounds and janitorial work on the Old Mackinac Point Lighthouse and lighthouse keeper's residence; the Fog Signal House; the 11-acre park; and the visitor's center. The group also worked on Colonial Fort Michilimackinac. Bob Mitchell led his group to Mackinac Island. There they teamed with Dan Cook, Mackinac Island State Park manager. The group met poor weather conditions the first three days, but worked inside Fort Mackinac's buildings, where they cleaned windows, vacuumed, dusted artifacts and helped clean and prepare rest-rooms. The group also prepared the grounds of the Governor's summer residence. At the end of the week, Mike Sutton and Dan Cook presented their respective groups with merit certificates at lunch. All tolled, 432 hours were spent in grounds and custodial. A successful training session was completed and everyone seemed pleased. Plans are being made for other MCTI training area collaborations with MSHP. Another positive outcome is that two MCTI graduates have now been hired by MSHP.



*Participating in the training at Mackinac were, front row, l. to r.: Mike Sutton, Neil Hoagland, Mike Towner, Bob Vaccaro, Cris Owens, Darrin Spring, Larry Pawlowski, Greg Stiener and Marty Peterson; back row: John Chambers and Mark Rozema. Not pictured are Dan Cook, Bob Mitchell, Zac Foley, Mike Flowers, Neil Davis, Anthony Goudenough and Mark Morrissey.*

**King-Chavez-Parks Initiative (Office of Postsecondary Services) Co-hosts 15th Annual Equity in the Classroom Conference:** More than 250 faculty, administrators and higher education leaders from across the state participated in the 15th Annual Equity in the Classroom Conference, which was held April 3-5 at the Bernhard Center on the campus of Western Michigan University in Kalamazoo. The theme of the conference was "Visualizing the World of Possibilities: Preparing Students for the Challenges of Equity and Opportunities in Higher Education." The conference focused on ways to increase enrollment, retention and graduation of underrepresented minority students and academically and economically disadvantaged students in Michigan colleges and universities. Featured speakers included Deb LaPine, director of DLEG's Bureau of Career Education Programs, Calvin Mackie, co-founder Channel Zero, associate professor, mechanical engineering, Tulane University; Edward Barlow, president, Creating the Future Inc.; Estela Mara Bensimon, director, Center for Urban Education, Columbia University; Evelyn Hu-Dehart, director, Center for the Study of Race and Ethnicity in America, Brown University; and Joseph White, professor emeritus, psychology and psychiatry, University of California. The conference featured 37 speakers and 16 different breakout sessions on a variety of topics such as creative faculty approaches to meeting the challenge, critical issues facing students with special needs, collaborating with businesses, and teaching math and science. The conference was sponsored by the King-Chavez-Parks Initiative, the state's 15 public and five private universities, and GEAR UP! Michigan! (Gaining Early Awareness and Readiness for Undergraduate Programs).



*Rudy Redmond, Manager, King Chavez Parks Initiative, Office of Postsecondary Services, DLEG; and Deb LaPine, Director, Bureau of Career Education Programs, DLEG.*



**DLEG Employee Receives Award from Michigan Association for Adult and Continuing Education (MAACE):** The Michigan Association for Adult and Continuing Education presented an award to Dianne Duthie, DLEG Director of Adult Education, in appreciation for her continued support. The award was presented by the MAACE Board of Directors at their 30th Annual Conference held at Wayne State University. MAACE is an organization dedicated to serving the professional needs of adult educators in the State of Michigan; promoting the practice of adult education as a vital contribution to the lifelong educational development of individuals; and fostering unity and cooperation among all persons and groups concerned with adult education.

*At left, Dianne Duthie, DLEG Director of Adult Education.*





**From left to right, Jim Folkening, Director, Office of Postsecondary Services, DLEG; Matthew Rick, Assistant Attorney General, Office of the Attorney General; Mike Beamish, Office of Postsecondary Services, DLEG; and Erik Grill, Assistant Attorney General, Office of the Attorney General.**

**Office of Postsecondary Services Hosts Annual Proprietary School Workshop:** The Office of Postsecondary Services (OPS) held its Seventh Annual Proprietary School Workshop on April 22 in Okemos where 145 participants representing 81 career schools attended. Schools that attended represented the top programs that were added in 2004, those teaching computer skills, medical care, massage therapy, automotive repair, real estate, heavy equipment operation and repair, and heating and cooling. The conference focused on proprietary school administrative guidelines and also offered seven roundtable discussions on accreditation, competency and certification testing, online testing services, Michigan Works! services, tuition financing, student recruitment, and retention. Representatives from DLEG- Bureau of Commercial Services, Licensing Division, Real Estate Programs, Michigan Department of Community Health Nursing and EMS Programs, the Michigan Department of Treasury and the Office of the Attorney General also participated in the conference. The Office of Postsecondary Services and the Michigan Association of Career Schools hosted the event. Student starts in career school programs were up sharply for the year 2003-2004, where OPS saw a 61% increase in new enrollments over the previous year. More than

30,600 new students enrolled in career school programs last year compared to 2002-2003, with a total of 79,375 student starts. There are 338 licensed proprietary schools in Michigan and 30 out-of-state schools licensed to solicit in Michigan. The Proprietary School Web site (<http://www.michiganps.net>) allows career schools to enter much of their license renewal information online, including enrollment data, tuition and contact information, which benefits schools and prospective students.

## Serving Spanish Speaking Citizens

**Michigan Hispanic Caucus Honors Outstanding Hispanics:** The Michigan Hispanic Caucus is seeking nominations for outstanding Hispanics across the state of Michigan. The Caucus is looking to honor individuals who have shown exemplary leadership in their communities. The categories for the leadership awards are as follows: fine arts, business/economic development, Hispanic advocate, Hispanic educator, lifetime achievement, and youth leadership. There is also a youth scholarship available for qualifying students. Nomination forms can be downloaded from the website at <http://www.MichiganHispanicHeritage.com>. If you would like an application mailed to you, please contact the Commission On Spanish Speaking Affairs at (517) 373-8339. Nominations should be submitted no later than September 23, 2005. Award winners will be recognized at the Hispanic Heritage Celebration being hosted at the State Capitol on October 12, 2005.

### **The Ambassador of México in the United States Visits the State of Michigan:**

The Ambassador of Mexico in the United States, Carlos de Icaza, visited the State of Michigan on April 21. Ambassador De Icaza arrived at the Detroit Airport and was met by Antonio Meza Estrada, Consul of Mexico in Detroit. The Mexican diplomat was invited to take a tour of the customs installations and migration on the Ambassador Bridge and the International Tunnel which connects Detroit with Windsor, Canada. After, they went to the Chamber of Commerce in Detroit where a luncheon in honor of the Ambassador was held. During the luncheon, the Ambassador had the opportunity to meet with the different political and business leaders, educators, community leaders, and general members of the Mexican community. Wayne County Executive Robert Ficano was followed by, Tony Benavides, Mayor of City of Lansing; Ezra Escudero, Director of the Ohio Commission on Spanish-Speaking Affairs; Kathleen McIntyre from Ford Motor Company International Governmental Relations; and Robert L. Simpson, Vice Chancellor of Academics of the University of Michigan-Dearborn. Governor Jennifer Granholm and Kwame Kilpatrick, Mayor of the City of Detroit gave Ambassador De Icaza a resolution in recognition for his visit to the State of Michigan. During the luncheon, Ambassador De Icaza presented the "Ohtli" award to Marylou Olivarez-Mason, Executive Director of the Michigan Commission on Spanish-Speaking Affairs. The medal which represents the "Ohtli" award is given to Mexican citizens living abroad that have dedicated their personal time and professional efforts to open the road, build opportunities and help provide a better future for the next generation of Mexicans.



**Commission on Spanish-Speaking Affairs Executive Director Marylou Olivarez-Mason, Consul of Mexico Antonio Meza Estrada and Ezra Escudero, Director of the Ohio Commission on Spanish-Speaking Affairs.**